

X. MONITORING

All CDBG-EAP Grantees will be monitored at least once per contract period; usually close to the end of the contract period. Many grantees will also receive a “TA/Administrative Review” visit early during the contract period.

When Commerce CDBG-EAP representatives come to your community to monitor your CDBG-EAP program, you can expect the following:

- You will be notified well in advance of the monitoring visit. CDBG-EAP reps will never pay a “surprise” monitoring visit to your office.
- You will receive a letter prior to the monitoring visit describing when the reps will arrive, and what will be reviewed during the visit.
- You will be requested to provide an area in which at least two people can work comfortably.
- CDBG-EAP reps have the right to review any file or record that is associated with the CDBG-EAP program.
- The CDBG-EAP reps monitoring your program will use the forms included in this chapter.
- To the extent you are able to have the necessary forms and documentation ready and available, your monitoring visit will go quickly and smoothly.

Documents and forms to have ready for your TA and monitoring visits:

- Excessive Use of Force Ordinance
- Adopted Residential Anti-Displacement and Relocation Assistance Plan
- Invoices, timesheets, and any other documents needed to support CDBG-EAP payments
- Acquisition/Disposition Register
- Fair Housing activity documentation
- Citizen Participation public hearing documentation
- All financial management forms – with entries current
- Housing and other project files – with documentation arranged in an orderly fashion
- Municipal procurement policy for goods and services

CDBG-EAP PROGRAM FILES CHECKLIST

GRANTEE _____ CONTRACT NO. _____

REVIEW DATE(S) _____ REVIEWER(S) _____

_____ A. APPLICATION

- _____ Application and supporting materials.
- _____ Correspondence about the application.
- _____ Citizen Participation Plan "Implementation" hearing date _____

_____ B. GRANT CONTRACT

- _____ Commerce award letters.
- _____ Signed grant contract plus any amendments and correspondence about any grant conditions.

_____ C. PROCUREMENT FOR SERVICES UNDER \$100,000

- _____ Grantee maintains file with signed procurement policy.
- _____ Contractors/consultants/engineers/auditors hired using procurement: _____
- _____ Price and rate quotations from three (3) qualified sources.
- _____ Grantee provides a rationale for contractor selection or rejection.
- _____ Grantee documents that it has entered into no contracts with any agency, firm, contractor, etc. listed on the HUD debarred list.
- _____ Current acquisition/disposition register.
- _____ Commerce approval for purchase/lease of equipment valued in excess of \$2,000.

_____ D. MONITORING/INSPECTION FILE

- _____ Commerce Technical Assistance letters
- _____ Commerce monitoring reports, letters of findings and recommendations.
- _____ Response(s) to letters of findings.
- _____ Evidence clearing monitoring findings.
- _____ Other monitoring-related correspondence.

_____ E. AUDIT

- _____ Single Audit submitted per requirements.
- _____ Previous concerns and findings addressed.

MISCELLANEOUS

- _____ Grantee understands 3-day guideline.
- _____ Grantee understands 10-day project fund disbursement guideline.
- _____ Grantee understands there are no more administrative dollars.
- _____ Grantee has collected "lobbying" forms from any contractors receiving \geq \$100,000.
- _____ Grantee has Excessive Use of Force policy.
- _____ Grantee has Anti-Displacement Policy.
- _____ Grantee maintains timesheets for grantee staff time on CDBG Program.

COMMENTS

CDBG-EAP EQUAL OPPORTUNITY MONITORING CHECKLIST

COMMUNITY _____ GRANT # _____

REVIEWER _____ REVIEW DATE _____

✓ (YES) N (NO) N/A (not applicable)

- _____ 1. Has demographic profile of community on file, e.g., data relating to race, ethnicity, gender, age, head of household (HOH), handicapped persons
- _____ 2. Are there any identified minority population concentrations?
- _____ 3. Were any actions taken to attract minority applicants?
- _____ 4. Were any actions taken to attract minority or women's business enterprises?
- _____ 5. Evidence of efforts made to promote the use of local businesses.
- _____ 6. Maintains charts showing EO compliance:
 - _____ Program beneficiaries and supporting data.
 - _____ Grantee employment data.
 - _____ Current chart of MBE/WBE contracts/subcontracts.
 - _____ Specify actions taken and documented (or planned) to remedy any problems indicated by review of data above.
- _____ 7. Section 3: Local employment/training efforts.
 - _____ Section 3 "Preference Policy" on file.
 - _____ Income status of existing employee(s) paid with CDBG funds is documented.
 - _____ Specific action taken and documented to promote local LMI employment/training.
 - _____ Were any new or vacant positions filled or existing employees' hours expanded?
 - _____ If yes, were they paid for with CDBG funds?
 - _____ If yes, was effort made to hire LMI persons?
- _____ 8. Section 3: Local contracting efforts (any one contract \geq \$100,000).
 - _____ Preference Policy on file for "Section 3 Businesses"
 - _____ Specific action taken and documented to promote use of local businesses.
 - _____ Use of local businesses documented.
 - _____ Preference Policy and Section 3 Clause in bidding and contract documents
- _____ 9. Documentation of Fair Housing Activity(s)
- _____ 10. Appropriate language in bid specifications and contracts let by the Grantee.
(Should include Title VI and Section 109 and EO 11246.

	CONTRACT	EO 11246	TITLE VI	SECTION 109
_____ a.	_____	_____	_____	_____
_____ b.	_____	_____	_____	_____
_____ c.	_____	_____	_____	_____

FINANCIAL MANAGEMENT MONITORING CHECKLIST

GRANTEE: _____ CONTRACT #: _____ DATE: _____

DATE CONTRACT SIGNED: _____

GRANT FILE:

- _____ Signature Certification form
- _____ Depository Certification form
- _____ Drawdown Register
- _____ Copies of Requests for Payments submitted to Commerce

DRAWDOWN REGISTER:

- _____ Has all _____ payment requests recorded
- _____ Shows balances for each budget category and they match the balances on the Drawdown Summary Register (Excel).

Budget category _____
Commerce Balance _____

- _____ The total remaining balance as of _____ agrees with Commerce figures

Commerce figure: _____
Grantee figure: _____

GRANT ACCOUNT TRANSACTIONS JOURNAL:

- _____ Is current
- _____ Records all fund receipts into Grant Account (CDBG, program income, and misc. - NOT RLF)
- _____ Has columns for date, check #, amount of check, and each budget category
- _____ Records all disbursements on the day they were made from the Grant Account
- _____ Lists all check numbers and indicates which, if any, are voided checks (verify)
- _____ Shows balance of Federal Funds on Hand for every day a disbursement was made
- _____ Shows the same disbursements to date as appears on the last Request for Payment of CDBG Funds

Date of last payment request: _____
Amount of ACTUAL DISBURSEMENTS on payment request _____
Amount of TOTAL DISBURSEMENTS on Cash Control Register _____

- _____ Shows the Grant Account never has more than \$5,000 for more than three days

Explain any exceptions:

GRANT ACCOUNT TRANSACTIONS JOURNAL (continued)

_____ Reconciles with Bank Statement

Date of Bank Statement: _____

	1.	Balance shown on Grant Account Transactions Journal	\$ _____
(-)	2.	Deposits not shown on Bank Statement	\$ _____
(+)	3.	Checks not cleared on Bank Statement	\$ _____
(+)	4.	Funds paid by municipality that have not been reimbursed by grant account	\$ _____
(=)	5.		\$ _____
	6.	Balance from Bank Statement	\$ _____

(#5 should equal #6)

_____ Disbursements from Grant Account authorized/signed by municipal official (clerk, finance director, etc.)

Comments:

REHABILITATION OBLIGATION TRACKING JOURNAL:

_____ Is current

WORKING ACCOUNT TRANSACTIONS JOURNAL:

_____ Is current

_____ Records deposits into the Working Account from the Grant Account

_____ Documents that funds drawn for rehab projects were disbursed in 10 days from date deposited in account

_____ Documents that RLF project funds were disbursed before requesting additional grant funds.

_____ Documents that RLF admin funds were used for appropriate purposes.

WORKING ACCOUNT TRANSACTIONS JOURNAL (continued)

_____ Working Account reconciles with Bank Statement

Date of Bank Statement: _____

1.	Balance of Working Account Transactions Journal	\$ _____
(-)	2. Deposits not shown on Bank Statement	\$ _____
(+)	3. Checks not cleared on Bank Statement	\$ _____
(=)	4.	\$ _____
	5. Balance from Bank Statement	\$ _____

(#4 should equal #5)

SOURCE DOCUMENTS TO SUPPORT FINANCIAL TRANSACTIONS:

_____ There is an invoice for each check

_____ The drawdowns were disbursed for the budget categories from which they were requested.

_____ If administrator is municipal employee, timesheets verify expenditure of administrative funds

CDBG-EAP REHAB PROJECT/PARTICIPANT FILE CHECKLIST

Grantee/Contract Number: _____

Property Owner: _____ Phone: _____

Rehab Address: _____ Loan # _____

CDBG \$ in Project: _____ Total Project Cost: \$ _____

Project is: _____ owner-occupied _____ renter-

FILE CONTENTS (does the file contain:) ✓ (YES) N (NO) N/A (not applicable)

Completed rehabilitation application form? _____
(Must include **marital property statement, age of structure, and conflict of interest**)

Release of information form? _____

Verification of: Title? _____
 Homeowner Insurance? _____
 LMI status/income?: _____

Property inspection reports? _____
(before _____, during _____, and after _____ rehab)
(Must specifically mention **lead-based paint** and **smoke detectors**)

Specifications for the work to be done? _____
(Must have adequate number of working smoke detectors when work done.)

Bids for the work to be done? _____
(List bids.)

Acceptance of bids by property owner? _____

Final loan approval by Grantee? (Date: _____) _____

Signed contract(s) between owner and contractor? (Date: _____) _____
(**Must** include Lead-based paint restrictions and One year guarantee of work)

Lead-based paint brochure to occupant? _____

Signed Authorization to Terms/Conditions of Grant? (Date: _____) _____

Request by contractor for each payment made?
(Must have homeowner's authorization **for EACH** payment request)

Lien waivers?
(A FINAL or one for each payment request)

Written and authorized change orders?

SITE VISIT

Was on-site visit made to this rehab project?

Was a phone interview done for this project?

Were all contracted items satisfactorily completed?

To be asked of the property owner:
Were you satisfied with rehab?

Were you satisfied with rehab loan process?

Did you receive the lead-based paint brochure?

Did you receive copies of all paperwork in a timely manner?

Could the program have been more helpful to you in any way?

Do you have any comments about the assistance you received or wish you had received?

PROJECT SUMMARY

ACQUISITION MONITORING CHECKLIST

GRANTEE / CONTRACT NUMBER: _____

Acquired Property Address: _____

Reviewer / Date: _____

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### Property Use:

\_\_\_\_\_ Single Family Residential \_\_\_\_\_ Multi Family Residential

\_\_\_\_\_ Commercial \_\_\_\_\_ Industrial

\_\_\_\_\_ Other \_\_\_\_\_

### Occupants:

Seller's Name / Current Address / Phone: \_\_\_\_\_

\_\_\_\_\_

Tenant's Name / Current Address / Phone: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### SIGNIFICANT DATES:

|                                                                                                | <u>Date</u> |
|------------------------------------------------------------------------------------------------|-------------|
| Official determination to acquire ( <i>usually execution of grant agreement or amendment</i> ) | _____       |
| Notice of Intent to Acquire                                                                    | _____       |
| Notice of Land Acquisition Procedures (brochure) given to owner                                | _____       |
| Initiation of Negotiations ( <i>initial written purchase offer provided</i> )                  | _____       |
| Owner accepted offer                                                                           | _____       |
| Final firm contract entered ( <i>all parties</i> )                                             | _____       |
| Condemnation proceeding instituted ( <i>if applicable</i> )                                    | _____       |
| Estimated just compensation deposited with court ( <i>condemnation only</i> )                  | _____       |
| Grantee takes title                                                                            | _____       |
| 90 day Notice to Vacate Property delivered                                                     | _____       |

Acquisition review for \_\_\_\_\_ (cont'd)

Significant Dollar Amounts

|                       | <u>Date</u> | <u>Amount</u> |
|-----------------------|-------------|---------------|
| First Appraisal       | _____       | _____         |
| Second Appraisal      | _____       | _____         |
| Third Appraisal       | _____       | _____         |
| Review Appraisal      | _____       | _____         |
| Just Compensation     | _____       | _____         |
| Initial Written Offer | _____       | _____         |
| Acquisition Price     | _____       | _____         |

Appraisal Review

|                                                                                                                              | <u>Yes</u> | <u>No</u> |
|------------------------------------------------------------------------------------------------------------------------------|------------|-----------|
| Are the data contained in the appraisals adequate to determine fair market value?                                            | _____      | _____     |
| Are the analyses of the data in the appraisals reasonable?                                                                   | _____      | _____     |
| Do the appraisals disregard the influence of the project on the fair market value of the property?                           | _____      | _____     |
| Is the amount determined to be just compensation an acceptable conclusion of the fair market value of the property?          | _____      | _____     |
| Are the appraisals of fair market value and determination of just compensation acceptable for each tenant-owned improvement? | _____      | _____     |

COMMENTS:

General Findings

|                                                                                                                                                                                          | Yes   | No    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|
| Did the Grantee provide the owner an adequate Notice of Land Acquisition Procedures brochure in advance of initiating negotiations?                                                      | _____ | _____ |
| Was the owner invited to accompany all of the appraisers on their inspection of the property?                                                                                            | _____ | _____ |
| Was the amount determined for Just Compensation the same or more than the grantee's approved appraisal of the fair market value of the property?                                         | _____ | _____ |
| Prior to any bargaining, did the grantee furnish the owner with a firm offer to purchase, stating all basic terms and conditions, at the full just compensation amount?                  | _____ | _____ |
| Did the grantee provide the owner a Statement of the Basis for the Determination of Just Compensation at the time the owner was given the written offer to purchase?                     | _____ | _____ |
| Did the owner receive the amount determined to be just compensation?                                                                                                                     | _____ | _____ |
| Does it appear that the grantee generally carried out the acquisition process in a manner that minimized hardships to the owner and was consistent with its treatment with other owners? | _____ | _____ |

COMMENTS:

Reviewer/ Date \_\_\_\_\_

## LABOR STANDARDS MONITORING

GRANTEE: \_\_\_\_\_ CONTRACT # \_\_\_\_\_

DATE OF REVIEW: \_\_\_\_\_ REVIEWER \_\_\_\_\_

1. Have all required notices been submitted for project:
  - a. Request for wage decision Yes \_\_\_\_\_ No \_\_\_\_\_
  - b. Labor Standards Contractor Information Yes \_\_\_\_\_ No \_\_\_\_\_
  - c. Final Labor Standards Compliance Report Yes \_\_\_\_\_ No \_\_\_\_\_
2. Project Information:
  - a. Labor Standards Officer: \_\_\_\_\_
  - b. Bid Advertisement Date: \_\_\_\_\_
  - c. Bid Opening Date: \_\_\_\_\_
  - d. Contract Award Date: \_\_\_\_\_
  - e. Construction Start Date: \_\_\_\_\_
  - f. Wage Decision # & Date: \_\_\_\_\_
  - g. Modification # & Date: \_\_\_\_\_
  - h. Preconstruction Conference:  
Date and Location: \_\_\_\_\_  
Meeting Minutes: Yes \_\_\_\_\_ No \_\_\_\_\_
3. Is there a separate file for this project? Yes \_\_\_\_\_ No \_\_\_\_\_
4. Did grantee follow state law and OMB A 102 (ARR. 'O') in awarding bids\*: Yes \_\_\_\_\_ No \_\_\_\_\_
5. Is wage decision included in bid documents and construction contract? Yes \_\_\_\_\_ No \_\_\_\_\_
6. Is 4010 Labor Standards Provision contained in bid documents and construction contract? Yes \_\_\_\_\_ No \_\_\_\_\_
7. Is Equal Opportunity language included in bid documents and construction contract? Yes \_\_\_\_\_ No \_\_\_\_\_
8. Sec. 3 clause included in contracts  $\geq$ \$100,000 Yes \_\_\_\_\_ No \_\_\_\_\_
9. Prime Contractor(s) & Fed. I.D. #: \_\_\_\_\_  
\_\_\_\_\_
10. Subcontractor(s) & Fed. I.D. #: \_\_\_\_\_  
\_\_\_\_\_

\* Bids were advertised, publicly opened, recommendation from engineer and board/council approval

- |     |                                                                                    |          |         |
|-----|------------------------------------------------------------------------------------|----------|---------|
| 11. | Weekly Payrolls or "No Work" letter filed                                          | Yes ____ | No ____ |
| 12. | Payrolls numbered (initial-final)?                                                 | Yes ____ | No ____ |
| 13. | Payrolls signed by authorized person?                                              | Yes ____ | No ____ |
| 14. | Workers' SS number and addresses shown on at least one payroll?                    | Yes ____ | No ____ |
| 15. | Do hourly wage rates shown on payroll equal or exceed rate on wage decision?       | Yes ____ | No ____ |
| 16. | Additional Classification(s) Form 4230A                                            |          |         |
|     | a. present for classes not on decision                                             | Yes ____ | No ____ |
|     | b. classification conformed, written approval by employer & worker                 | Yes ____ | No ____ |
| 17. | Time and one half paid for over 40 hours/wk                                        | Yes ____ | No ____ |
| 18. | For worker in two classifications is payroll signed or daily time sheet submitted? | Yes ____ | No ____ |
| 19. | Is Statement of Compliance properly filled out? (including fringe benefit boxes)   | Yes ____ | No ____ |
| 20. | Are "other" deductions documented?                                                 | Yes ____ | No ____ |
| 21. | Employee Interviews:                                                               |          |         |
|     | a. Number of HUD 111s completed: ____                                              |          |         |
|     | b. Forms filled out, compared to payrolls, signed by payroll examiner?             | Yes ____ | No ____ |
| 22. | Apprentice/Trainee indentures attached to payrolls where such employees appear?    | Yes ____ | No ____ |
| 23. | Are Apprentices/Trainees working alone?                                            | Yes ____ | No ____ |
| 24. | Wage underpayments collected: \$ _____                                             |          |         |
| 25. | Payroll examiner signs off on payouts of wage underpayments?                       | Yes ____ | No ____ |
| 25. | Violations NOT resolved<br>If yes, explain:                                        | Yes ____ | No ____ |

COMMENTS/RECOMMENDATIONS: